RECORD OF PROCEEDINGS

MINUTES OF JOINT REGULAR MEETING

BOARD OF DIRECTORS

PLATTE CANYON WATER AND SANITATION DISTRICT[1]

AND

SOUTHWEST METROPOLITAN WATER AND SANITATION DISTRICT

Friday
October 24, 2025
Jefferson County, Colorado

The joint regular monthly meeting of the Board of Directors of the Platte Canyon Water and Sanitation District ("Platte Canyon") and the Board of Directors of the Southwest Metropolitan Water and Sanitation District ("Southwest") convened on Friday, October 24, 2025, at 8:30 a.m. in the Districts' office located at 8739 West Coal Mine Avenue, Littleton, Colorado 80123. The meeting could be attended virtually using Microsoft Teams so any Board member who could not physically attend, could attend by telephone or virtually.

The login and call-in information were included in the meeting notice so that interested members of the public could also attend virtually. Although jointly conducted, portions of the meeting pertained solely to one District or the other and, accordingly, at times only the vote of one Board or the other was required.

The following Platte Canyon Directors were in attendance, to-wit:

William D. Buckner
Anthony M. Dursey
Louis J. Fohn (by Teams)
Damien Mulvany
Mark Swatek

The following Southwest Directors were in attendance, to-wit:

Anthony M. Dursey
Ismael Gomez
Chuck Hause (by Teams)
Samuel Rivas, Jr.
Bernard J. Sebastian, Jr.

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[1] and each District's Water and Sanitary Sewer Activity Enterprise.

The following Platte Canyon staff members were physically present: Cynthia Lane, Manager; Alyssa Quinn, Assistant Manager; Vanessa Shipley, Financial Administrator; Justin Roquemore, Construction Program Manager; Sean Kenny, Operator II. Bridget Butterfield, Communications and Administrative Services Coordinator; Adam Morse, GIS/Website/IT Technician, and Chris Cochran, Construction Coordinator, attended the meeting virtually via Microsoft Teams.[2]

Also physically in attendance was Timothy J. Flynn, from Ireland Stapleton Pryor & Pascoe PC, legal counsel for both Districts.

CALL TO ORDER

The meeting was called to order by Platte Canyon President Mark Swatek, who presided as Chair.

APPROVAL OF PLATTE CANYON AGENDA

Following a review and discussion, a motion was made by Platte Canyon Director Buckner and seconded by Platte Canyon Director Dursey to approve, as presented, the Platte Canyon agenda. The Chair called for a vote of the Platte Canyon Board, and the vote was as follows:

William D. Buckner	Aye
Anthony M. Dursey	Aye
Louis J. Fohn	Aye
Damien Mulvany	Aye
Mark Swatek	Aye

PLATTE CANYON CONSENT AGENDA ITEMS

Following a brief discussion, a motion was made by Platte Canyon Director Buckner and seconded by Platte Canyon Director Mulvany to approve Platte Canyon Consent Agenda Items No. 1 and No. 2, as set forth below:

1. Ratification of Interim Disbursements and Approval of Current Payables. Platte Canyon payables and supplemental disbursements for the month of October 2025, in the aggregate amount of $526,911.06 represented by Platte Canyon check nos. 36054 thru 36096 inclusive, including any checks written for $5,000 or less by the manager pursuant to prior Board authorization, together with various electronic fund

[2] Southwest has no employees. The above-named personnel are Platte Canyon employees who, pursuant to contract with Platte Canyon, provide management, operation, and maintenance services for Southwest.

payments for employees' salaries, utilities and other authorized electronic fund payment vendors.

2. <u>Platte Canyon Investment/Deposit Transaction Report</u>. During the month of September 2025, Platte Canyon did not: (i) purchase any treasury notes or other securities; (ii) sell or have any treasury notes or other securities mature or be redeemed; or (iii) purchase, renew, or roll over any certificates of deposit.

With respect to Consent Agenda Items No. 1 and No. 2, the Chair called for a vote of the Platte Canyon Board, and the vote was as follows:

William D. Buckner	Aye
Anthony M. Dursey	Aye
Louis J. Fohn	Aye
Damien Mulvany	Aye
Mark Swatek	Aye

PLATTE CANYON ACTION ITEMS

There were no action items to come before the Platte Canyon Board.

PLATTE CANYON NEW BUSINESS

There was no new business to come before the Platte Canyon Board.

PLATTE CANYON INFORMATION/DISCUSS ITEMS

1. <u>Draft 2026 Budget.</u> Vanessa Shipley provided a comprehensive overview of Platte Canyon's proposed 2026 budget. For 2026 Platte Canyon anticipates total revenue of $7,156,615 and total expenditures of $6,460,370 resulting in a projected increase in Platte Canyon's ending fund balance of $696,240 from $12,995,470 to $13,601,715. For 2026, property and specific ownership tax revenue is projected to be $2,628,250 representing 36.8 % of Platte Canyon's total anticipated revenues.

Personnel costs for 2026 are projected to be $2,468,960 or 66.6% of total operating expenditures. Capital costs for 2026 are budgeted at $2,750,870 which includes four capital water projects involving the replacement of 4,148 linear feet of cast iron pipe estimated to cost approximately $1,793,575.

Investment income for 2026 is projected to be $387,160. The assumed average interest rate on Platte Canyon's investments during 2026 is 3.0%. The 2026 budget includes a 5.5% increase for wages and salaries for Platte Canyon employees and includes an hourly rate adjustment for operators who obtain higher certification levels through testing and training.

Platte Canyon's budget incorporates the budget for Subdistrict No. 1 and Subdistrict No. 2. Both Subdistrict budgets are for the purpose of meeting debt service obligations. Vanessa Shipley noted that Subdistrict No. 1's debt will be paid off in 2026 and Subdistrict No. 2's debit will be paid off in 2028.

2. <u>Platte Canyon's 10 Financial Plan.</u> Platte Canyon's 10-Year Financial Plan complies with Platte Canyon's policy to annually review and establish an adequate level of cash reserves for operations, capital improvements, debt service, if any and any other needs prescribed by Platte Canyon's Board to meet required service levels and provide adequate resources for infrastructure, repair and replacement. For calendar year 2026 Platte Canyon is not projecting an increase in its water and sewer service fee that is currently at the rate of $25 per month per single family equivalent tap. No debt financing is projected for calendar year 2026 or the near future. Platte Canyon will look to its cash reserves to fund planned water and sewer replacement projects projected over the 10-year planning period.

3. <u>Update on Acquisition on Access Easement from Bow Mar Owners Inc.</u>

Legal counsel advised the Board that he delivered to the attorney for Bow Mar Owners Inc. (BMOI), the $10,000 check approved at last month's Board meeting, together with an updated draft of the Access Easement needed by Platte Canyon. The updated Easement recites the monetary compensation that is being paid by Platte Cayon for the Easement. Legal counsel has not received word back from BMOI's attorney as to when the executed Easement will be delivered. Accordingly, Mr. Flynn will follow up by email to see when Platte Canyon can expect to receive an executed easement document.

JOINT PARTICIPATION OF THE MEETING

Platte Canyon's President, Mark Swatek, continued to Chair the joint participation portion of the meeting.

APPROVAL OF JOINT MEETING AGENDA

Following a brief discussion, a motion was made by Southwest Director Sebastian and seconded by Platte Canyon Director Buckner to approve the joint meeting agenda, as presented. The Chair called for a vote of the Platte Canyon Board, and the vote was as follows:

William D. Buckner	Aye
Anthony M. Dursey	Aye
Louis J. Fohn	Aye
Damien Mulvany	Aye
Mark Swatek	Aye

The Chair then called for a vote of the Southwest Board, and the vote was as follows:

Anthony M. Dursey	Aye
Ismael Gomez	Aye
Chuck Hause	Aye
Samuel Rivas, Jr.	Aye
Bernard J. Sebastian, Jr.	Aye

JOINT MEETING CONSENT AGENDA

Following a brief discussion, a motion was made by Southwest Director Sebastian and seconded by Platte Canyon Director Buckner to approve the minutes of the Boards' September 26, 2025, joint regular meeting, as written. The Chair called for a vote of the Platte Canyon Board, and the vote was as follows:

William D. Buckner	Aye
Anthony M. Dursey	Aye
Louis J. Fohn	Aye
Damien Mulvany	Aye
Mark Swatek	Aye

The Chair then called for a vote of the Southwest Board, and the vote was as follows:

Anthony M. Dursey	Aye
Ismael Gomez	Aye
Chuck Hause	Aye
Samuel Rivas, Jr.	Aye
Bernard J. Sebastian, Jr.	Aye

The approved minutes will be presented to the members of each Board for signature as soon as practical, as further evidence of ratification, confirmation, and approval.

JOINT MEETING ACTION ITEMS

1. Financial Matters.

(a) Platte Canyon Financial Statements. The following unaudited Platte Canyon financial statements, prepared by Vanessa Shipley, for the nine-month period ending September 30, 2025, were presented to the Boards:

(i) Statement of Net Position showing Platte Canyon's Current Assets, Capital Assets, Current Liabilities, and Net Position; and

(ii) Statement of Revenue, Expenses and Changes in Net Position for the 9-month period ending September 30, 2025: and

(iii) Schedule of Revenues and Expenditures – Budget and Actual for the 9-month ending September 30, 2025:

Vanessa Shipley had no comments regarding the financial statements. A motion was then made by Platte Canyon Director Buckner and seconded by Platte Canyon Director Mulvany to accept the Platte Canyon financial statements, as presented. The Chair called for a vote of the Platte Canyon Board, and the vote was as follows:

William D. Buckner	Aye
Anthony M. Dursey	Aye
Louis J. Fohn	Aye
Damien Mulvany	Aye
Mark Swatek	Aye

(b) <u>Southwest Financial Statements</u>. The following unaudited Southwest financial statements, prepared by Vanessa Shipley, for the nine-month period ending September 30, 2025, were presented to the Boards:

(i) Statement of Net Position dated September 30, 2025, showing Southwest's Current Assets, Capital Assets, Current Liabilities and Net Position.

(ii) Statement of Revenue, Expenses and Changes in Net Position for the 9-month period ending September 30, 2025:

(iii) Schedule of Revenues and Expenditures – Budget and Actual for the 9-month ending September 30, 2025:

Vanessa Shipley noted that current liabilities were larger than usual due to the activities surrounding the Toll Brothers' and Evergreen Development's South Santa Fe Park Projects.

At the conclusion of Vanessa Shipley's review, a motion was made by Southwest Director Sebastian and seconded by Southwest Director Rivas to accept the Southwest financial statements, as presented. The Chair called for a vote of the Southwest Board, and the vote was as follows:

Anthony M. Dursey	Aye
Ismael Gomez	Aye
Chuck Hause	Aye
Samuel Rivas, Jr.	Aye
Bernard J. Sebastian, Jr.	Aye

(c) <u>Platte Canyon Investment/Deposit Report</u>. The Boards reviewed a list of Platte Canyon's investments in U.S. Government treasury notes, agency securities, certificates of deposit, and money market funds, together with a report showing the funds

Platte Canyon has in approved state depositories and authorized local government investment pools. As of September 30, 2025, Platte Canyon's investments and deposits totaled $13,821,181.21, itemized as follows:

Description	Amount	Percentage
Checking	$200,004.39	1.45%
Certificates of Deposit	$250,000.00	1.81%
Colo Trust-Edge	$876,533.08	6.34%
Colo Trust-Plus	$5,364,990.80	38.82%
ColoTrust-Trust Account	$555,855.71	4.02%
CSAFE-Core	$4,065,976.74	29.42%
Treasury Bills	$0.00	0.00%
Treasury Notes	$1,007,290.34	7.29%
U.S. Government Agencies and Instrumentalities	$1,500,530.15	10.86%
TOTAL	$13,821,181.21	100.00%

The average yield on Platte Canyon's investments for the month of September 2025, as calculated by staff, was 3.6726% per annum.

Following a brief discussion, a motion was made by Platte Canyon Director Buckner and seconded by Platte Canyon Director Mulvany to accept the Platte Canyon Investment/Deposit Transaction Report as presented.

The Chair called for a vote of the Platte Canyon Board, and the vote was as follows:

William D. Buckner	Aye
Anthony M. Dursey	Aye
Louis J. Fohn	Aye
Damien Mulvany	Aye
Mark Swatek	Aye

(d) Southwest Investment/Deposit Report. The Boards reviewed a list of Southwest's investments in U.S. Government treasury notes, agency securities, certificates of deposit, and money market funds, together with a report showing the funds Southwest has in approved state depositories and authorized investment pools. As of September 30, 2025, Southwest investments and deposits totaled $27,426,104.31, itemized as follows:

Description	Amount	Percentage
Checking	$51,438.64	0.19%
Certificates of Deposit	$249,000	0.91%
ColoTrust-Edge	$958,673.55	3.50%
ColoTrust-Plus	$3,202,622.24	11.68%
ColoTrust-Trust Account	$1,165,105.11	4.25%
CSAFE-Core	$2,791,670.68	10.18%
Treasury Bills	$0.00	0.00%
Treasury Notes	$11,007,594.09	40.14%
U.S. Government Agencies and Instrumentalities	$8,000,000.00	29.17%
TOTAL	$27,426,104.31	100.00%

The average yield on Southwest's investments for the month of September 2025, as calculated by staff, was 2.8847% per annum.

Following Vanessa Shipley's review of the Southwest investment/deposit report, a motion was made by Southwest Director Sebastian and seconded by Southwest Director Rivas to accept the Southwest Investment and Deposit Report as presented.

The Chair called for a vote of the Southwest Board, and the vote was as follows:

Anthony M. Dursey	Aye
Ismael Gomez	Aye
Chuck Hause	Aye
Samuel Rivas, Jr.	Aye
Bernard J. Sebastian, Jr.	Aye

INFORMATION/DISCUSSION ITEMS

1. **Manager's Report**. The Manager reviewed her written Manager's report for the month of October 2025, a copy of which was included in the meeting packet. In addition to responding to questions, the manager discussed the following matters:

(a) **District Goals.** The District and Manager goals for 2026 are tracking as planned except for the sanitary sewer collection system evaluations. As a result of more sophisticated data and analysis that is being provided to staff, it will take staff longer to evaluate the condition of each District sanitary sewer collection system and prepare a proposed capital improvement plan for each District. Staff is on target to complete the sanitary sewer system evaluations early in 2026. This will ensure that the capital improvement projects identified are thoroughly data driven and appropriate for each District.

(b) <u>Southwest D-Line Interceptor Project.</u> The Littleton City Council approved the sanitary sewer easement for the Southwest D-Line Interceptor at its October 21, 2025, meeting. The District's contractor continues to mobilize men and equipment. It is anticipated that in early November 2025 interested Board members can participate in a site visit to better understand the nature and extent of the D-Line Interceptor Project. Any interested Board members were asked to notify the manager as soon as possible.

(c) <u>Fire Hydrant Nozzle Replacement Projects</u>. It was noted that Platte Canyon's fire hydrant nozzles are in good condition and accordingly there is no planned replacement of any Platte Canyon nozzles during 2025. Southwest has a number of nozzles scheduled for replacement. Staff will look at accelerating the Platte Canyon Replacement Project, but wants to weigh the cost of doing so with the actual need. If fire hydrant nozzles are in good working condition staff hopes to avoid the expense of replacing them at this time.

2. <u>Operations and Maintenance Summary Report</u>. Sean Kenny presented the Operations and Maintenance Summary Report for the month of October in the absence of Armando Quintana, who was unable to attend the meeting. During the reporting period neither Platte Canyon nor Southwest had any sanitary sewer service interruptions. Platte Canyon had one water service interruption on September 26th at 6049 W. Roxbury Place and Southwest had twowater main breaks. One at 10625 W. Quarles Ave. on September 5, 2025, and another at 7833 W. Friend Dr. on September 20, 2025.

A brief PowerPoint presentation was provided by Sean Kenny that depicted the nature and extent of the repair operations that were undertaken. He noted that service was restored in a timely manner in all instances.

Mr. Kenny also provided a brief overview of the remedial repairs undertaken during the month, noting that C&L Water Solutions repaired four water-line valves in Southwest and repaired two water-line valves and one fire hydrant in Platte Canyon. There was no activity or repair maintenance undertaken with respect to either the Scott J. Morris Pump Station or the Hogback Pumping Station during the month.

The monthly staff meeting was held on Tuesday, September 9th. During the month Bruce Yararish and Armando Quintana both attended the Colorado Waterwise Symposium.

3. <u>Construction Projects Report.</u> Justin Roquemore, Construction Program Manager, reviewed the Capital Construction Projects for both Southwest and Platte Canyon that are currently ongoing. In addition, he provided a report with respect to the developer Projects that are also ongoing in each district. As noted earlier in the Board meeting, Southwest continues to have significant developer activity occurring within the South Santa Fe Park area, generally located on the southwest corner of West Mineral Avenue and South Santa Fe Drive.

NEW BUSINESS

There was no new business to come before the joint participation portion of the meeting.

SOUTHWEST PORTION OF THE JOINT MEETING

CALL TO ORDER

The Southwest portion of the joint meeting was called to order by Director Samuel Rivas Jr. who presided as Chair.

APPROVAL OF SOUTHWEST AGENDA

Following a brief discussion, a motion was made by Southwest Director Sebastian and seconded by Southwest Director Dursey to approve, as presented, the Southwest agenda. The Chair called for a vote of the Southwest Board, and the vote was as follows:

Anthony M. Dursey	Aye
Ismael Gomez	Aye
Chuck Hause	Aye
Samuel Rivas, Jr.	Aye
Bernard J. Sebastian, Jr.	Aye

SOUTHWEST CONSENT AGENDA ITEMS

Following a brief discussion, a motion was made by Southwest Director Sebastian and seconded by Southwest Director Gomez to approve Southwest Consent Agenda Items No. 1 and No. 2, as set forth below:

1. **Ratification of Interim Disbursements and Approval of Current Payables**. Southwest payables and supplemental disbursements for the month of September, 2025 in the aggregate amount of $667,653.48 represented by Southwest check numbers 21717 through 21743 inclusive, including any checks written for $5000 or less by the manager pursuant to prior Board authorization, together with various electronic fund payments for utilities and other authorized electronic fund payment vendors.

2. **Southwest Investment/Deposit Transaction Report.** Southwest in the month of September 2025, Southwest did not (i) purchase any treasury notes or other securities: (ii) sell or have any treasury notes or other securities mature or be redeemed: or (iii) purchase, renew, or rollover any certificates of deposit.

With respect to consent agenda items No. 1 and No. 2, the Chair called for a vote of the Southwest Board, and the vote was as follows:

Anthony M. Dursey	Aye
Ismael Gomez	Aye
Chuck Hause	Aye
Samuel Rivas, Jr.	Aye
Bernard J. Sebastian, Jr.	Aye

SOUTHWEST ACTION ITEMS

There were no action items to come before the Southwest Board.

SOUTHWEST INFORMATION/DISCUSSION ITEMS

1. **Southwest 2026 Budget.** Vanessa Shipley provided a comprehensive overview of Southwest proposed 2026 budget. For 2026 Southwest anticipates total revenue of $6,080,428 and total expenditure of $3,428,923 resulting in a projected surplus of $2,651,505. For 2026 the water and sewer service fee shall remain at $12 per month per single family equivalent tap. It's anticipated that the service fee revenue will generate $2,245,100 and that investment income will be approximately $577,920. It was noted that Southwest does not impose a property tax mill levy and hence does not receive any property tax revenues to support its operations.

2. **Southwest 10-Year Financial Plan.** Southwest 10-Year Financial Plan complies with Southwest policy to annually review and establish an adequate level of cash reserves for Operations, Capital Improvements, Debt Service, if any and any other needs prescribed by the Southwest Board to meet required service levels and provide adequate resources for infrastructure repair and replacement. No debt financing is projected for 2026. Southwest will look to its cash reserves to fund the planned water and sewer replacement projects projected over the 10-Year planning period.

SOUTHWEST NEW BUSINESS

There was no new business to come before the Southwest Board.

ADJOURNMENT

There being no further business to come before this joint regular meeting of the Platte Canyon and Southwest Boards, a motion to adjourn was made by Southwest Director Sebastian and seconded by Platte Canyon Director Dursey to adjourn. The Chair called for a vote of the Platte Canyon Board, and the vote was as follows:

William D. Buckner	Aye
Anthony M. Dursey	Aye
Louis J. Fohn	Aye
Damien Mulvany	Aye
Mark Swatek	Aye

The Chair called for a vote of the Southwest Board, and the vote was as follows:

Anthony M. Dursey	Aye
Ismael Gomez	Aye
Chuck Hause	Aye
Samuel Rivas, Jr.	Aye
Bernard J. Sebastian, Jr.	Aye

Whereupon, this joint regular meeting of the Platte Canyon and Southwest Boards of Directors adjourned at approximately 10:00 a.m. The next regular joint meeting of the Boards will be held on Friday, November 21, 2025, at 8:30 a.m. in the Platte Canyon and Southwest office located at 8739 West Coal Mine Avenue, Littleton, Colorado 80123.

Respectfully submitted,

Timothy J. Flynn, Recording Secretary

RECORD OF PROCEEDINGS

THE MINUTES OF THIS JOINT REGULAR MEETING OF THE BOARD OF DIRECTORS OF THE SOUTHWEST METROPOLITAN WATER AND SANITATION DISTRICT AND THE BOARD OF DIRECTORS OF THE PLATTE CANYON WATER AND SANITATION DISTRICT ARE HEREBY RATIFIED, CONFIRMED AND APPROVED BY THE FOLLOWING NAMED INDIVIDUALS WHO, INDIVIDUALLY AND AS MEMBERS OF THE BOARD OF DIRECTORS OF SAID DISTRICTS, WAIVE ANY AND ALL NOTICE THAT MAY BE REQUIRED BY THE STATUTES OF THE STATE OF COLORADO PERTAINING TO THE CONVENING AND THE CONDUCTING OF THIS SPECIAL MEETING OF THE DISTRICTS' BOARDS OF DIRECTORS; AND THE UNDERSIGNED DO HEREBY CONSENT TO THE SAID MEETING BEING HELD ON THE DATE, AT THE TIME AND AT THE PLACE AS HEREINABOVE SET FORTH.

SOUTHWEST METROPOLITAN WATER AND SANITATION DISTRICT	PLATTE CANYON WATER AND SANITATION DISTRICT
Anthony M. Dursey	William D. Buckner
Ismael Gomez.	Anthony M. Dursey
Chuck Hause	Louis J. Fohn
Bernard J. Sebastian, Jr.	Damian. Mulvany
Samuel Rivas, Jr.	Mark Swatek